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IN THE

Supreme Court of the United States

OCTOBER TERM, 1962

No. 902.

HEYMAN MANUFACTURING COMPANY,
Petitioner,

v.

HAP CORPORATION,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

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Petitioner, HEYMAN MANUFACTURING COMPANY, prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the First Circuit, entered in the above-identified case on January 9, 1963.

CITATIONS TO OPINIONS BELOW

The opinion of the District Court for the District of Rhode Island, printed in Appendix A hereto, is reported in 196 F. Supp. 447. The opinion of the Circuit Court of Appeals for the First Circuit, printed in Appendix B hereto, is reported in 135 U. S. P. Q. 285. The opinion of the Circuit Court of Appeals on Petition for Rehearing, printed in Appendix C hereto, is unreported.

JURISDICTION

The judgment of the Circuit Court of Appeals was entered January 9, 1963. Rehearing was denied on January 9, 1963. The jurisdiction of this Court is invoked under 28 U. S. C. Section 1254 (1).

QUESTIONS PRESENTED

A. Whether an appellate court can vacate a trial court's judgment that a patent is valid and is infringed, after reviewing only the issue of infringement and without consideration of the trial court's findings respecting validity.

B. Whether an appellate court can determine the issue of infringement without taking into account those factors germane to validity which also control the scope and construction of the claims alleged to be infringed.

C. Whether an appellate court, in reviewing a trial court's holding that a patent is valid and infringed, can leave open and undecided the question of validity after having reversed on infringement.

RULE INVOLVED

The rule involved is Rule 52(a) of the Federal Rules of Civil Procedure, 28 U. S. C. 52, printed in Appendix D.

STATEMENT

In an action brought on July 31, 1957, in the District Court, Heyman Manufacturing Company (Heyman), the petitioner herein, sued Hap Corporation (Hap), the respondent herein, for infringement of two patents Nos. 2,476,738 and 2,558,052. Hap counterclaimed for infringement of four patents Nos. 2,191,384, 2,191,385, 2,198,966 and 2,278,176. In an opinion dated June 23, 1961 (Appendix A), the District Court held Heyman's patent '738 valid and infringed and its patent '052 not infringed. The District Court held Hap's patents '384 and '385 valid and infringed, but held Hap's patents '966 invalid and '176 not infringed.

Hap, in its appeal to the Circuit Court, sought a review of the holdings of the District Court that Heyman's patent '738 is valid and infringed and that patent '966 is invalid. Heyman, in its cross-appeal, sought a review of the District Court's holding that Hap's patents '384 and '385 were valid.

The Circuit Court in an opinion dated November 20, 1962 (Appendix B) directed entry of judgment vacating Paragraphs 1 and 2 of the judgment of the District Court, while affirming the balance of the judgment from which appeals had been taken.

This petition is concerned solely with the questions raised with respect to the vacating of Paragraphs 1 and 2 and all further discussion will be limited accordingly. Paragraph 1, in the judgment of the District Court, held the '738 patent to be "good and valid as to claims 1 and 2 thereof". Paragraph 2 held that Hap "has infringed claims 1 and 2".

The '738 patent, to which Paragraphs 1 and 2 of the District Court's Judgment are directed, deals with the construction of blades for an electrical plug of the type which is inserted in a wall outlet or receptacle. Each plug has a pair of such blades, the blades being connected by a cord to an electrical appliance, such as a toaster. The inventive feature of the patented blades lies in the means by which the wires of the electrical cord can be attached thereto by a crimping action without the use of solder.

At the trial, Heyman introduced evidence seeking to establish that Hap, in its manufacture of certain blades, identified by specific drawings, infringed the '738 patent. Hap, on the other hand, sought to show that the '738 patent was invalid on the grounds that the structure defined by the claims lacked novelty and was anticipated by the prior art. In support thereof, Hap cited thirteen prior patents, in addition to those made of record by the Examiner in the

file history of the '738 patent in the United States Patent Office. Hap further defended by seeking to establish that the claims in the '738 patent did not cover the blades manufactured by it, and hence were not infringed.

Heyman, on December 11, 1962, petitioned the Circuit Court for a rehearing of that portion of the opinion directing entry of judgment vacating Paragraphs 1 and 2 of the judgment of the District Court holding the '738 patent valid and infringed.

This petition was denied by the Circuit Court's opinion of January 9, 1963 (Appendix C). In its denial, the Circuit Court explained that by vacating the Judgment on validity it was not holding the patent valid or invalid but that it left this matter open.

REASONS FOR GRANTING THE WRIT

POINT I

INFRINGEMENT CANNOT BE DETERMINED WITHOUT CONSIDERATION OF FACTORS INVOLVED IN VALIDITY.

The basic problem presented by this case turns on the distinctions between patent validity and infringement.

Assuming formal compliance with statutory requirements, the question of validity reduces itself to a consideration of whether a difference exists between the invention patented and what was known before, as evidenced by the prior art, and whether this difference has sufficient novelty to rise to the level of patentability. Validity is an absolute rather than a relative quality, and a valid patent granted on a refinement over an existing idea is as valid as a patent on a major innovation.

Infringement, on the other hand, deals with the question of whether a patent claim by its terms covers an accused

device or process. Before resolving this issue, it is necessary to weigh the relative importance of the invention, for as this Court has pointed out in *Eibel Co. v. Paper Co.*, 261 U. S. 45, in administering the patent law one "first looks in the art to find what the real merit of the alleged discovery or invention is and whether it has advanced the art substantially." Hence, with a valid patent on a refinement, the claims generally are narrowly construed, whereas a major innovation or a pioneer invention invites a more liberal construction. *Graver Tank & Mfg. Co.* v. *Linde Air Products Co.*, 70 S. Ct. 854.

If, therefore, in taking up the question of infringement, the prior patents must first be examined to determine the extent to which the art has been advanced, this inevitably leads to a finding which may be controlling in the issue of validity. Despite this obvious over-lapping of issues, courts have tended to isolate or compartmentalize issues of infringement and validity.

Thus, in the present case, where the trial court held a patent valid and infringed, the appellate court reviewed the question of infringement without first considering the prior art. It found no occasion to review the prior art cited in the issue of validity, for the Court elected to pass over this issue. It did so on the authority of *Altvater* v. *Freeman*, 1943, 319 U.S. 359,363, where this Court stated that,

> "To hold a patent valid if it is not infringed is to decide a hypothetical case."

This Court's statement in *Altvater* v. *Freeman* appears to be in conflict with its holding in *Eibel Co.* v. *Paper Co.* and in other cases to the same effect. If followed literally, this statement leads, as in the present case, to an inadequate review of the issue of infringement and to an interpretation of patent claims which fails to take into account the prior

art underlying validity. In the points to follow, the serious private and public consequences of this approach will be demonstrated.

Moreover, the uncritical application of the Altvater doctrine results, as in the present case, to a setting aside of a trial court's adjudication on validity, not on the conviction that a clearly erroneous holding had been made, but for the express purpose of leaving the issue of validity open and undecided, and as if it had never been adjudicated, thereby defeating the function of the trial court.

POINT II

A REVIEW COURT MUST GIVE DUE WEIGHT TO THE TRIAL COURT'S FINDINGS ON INFRINGEMENT.

On the question of infringement, the Circuit Court's opinion is grounded on an independent examination of the evidence in the record and is without regard to the findings of fact of the trial court. The Circuit Court's justification for this action is expressed as follows:

> "With this background we turn to the question of infringement. *On this the district court gives us no assistance.* After quoting both claims in full, and reciting Heyman's commercial success, the court simply states that said patent '738 is valid . . . [that the] credible evidence satisfied me that the plaintiff's blades are made in accordance with the disclosures of said patent . . . [and that because Hap used in its advertising a copy of a drawing of the plaintiff's product] [t]he conclusion is inescapable that the defendant has deliberately infringed the plaintiff's patent '738 . . . . The court did not analyze the claims, or the differences between them. Nor did it resolve any of the conflicts in the testimony, *or make findings of fact in accordance with Fed. R. Civ. P. 52(a). In this posture we have two alternatives:*

> *either to remand the action for findings or, if we determine that the evidence viewed most favorably to Heyman would not warrant a finding of infringement, to dismiss this portion of the complaint.*" (p. 27a) (Emphasis added)

The Circuit Court chose not to remand but to proceed on the basis of its own analysis of the claims. It then concluded that the claims were not infringed.

Though the trial court did not attach separate findings of fact and conclusions of law to its opinion, such findings and conclusions are not wanting. The findings of fact respecting infringement are incorporated in the body of the opinion, and read as follows:

> "It further appears that the defendant, in late 1951, after several attempts to produce a satisfactory solderless contact blade, began to manufacture and sell a crimped blade indistinguishable from the patented product. That the defendant appreciated this is shown by its admitted use in its sales catalogue, describing its products, of a copy of a drawing of the plaintiff's used by the latter in advertising its blades. *The conclusion is inescapable that the defendant had deliberately infringed the plaintiff's patent '738, and I find specifically that its blades, Nos. 3 MB-2, 3-B, 3MB, 3 MBS-2, 3 MAS and 3 MBS-1 infringed said patent.*" (p. 5a) (Emphasis added)

From the foregoing it is plain that the trial court's finding of infringement is with reference to specifically identified blades manufactured by Hap and not because of its advertising copy.

Such findings and conclusions are consistent with the requirement of Rule 52(a) of the Federal Rules of Civil Procedure (Appendix D) which indicates that, "If an opinion or memorandum of decision is filed, it will be

sufficient if the findings of fact and conclusions of law appear therein".

Though the form and sufficiency of the trial court's findings of fact may be open to question, they cannot be disregarded or set aside unless clearly erroneous. As pointed out by this Court in *Graver Tank & Mfg. Co. et al.* v. *Linde Air Products Co.*, 69 S. Ct. 535:

> "Rue 52(a) of the Federal Rules of Civil Procedure, 28 U. S. C. A., provides in part, 'Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the creditability of the witnesses'. To no type of case is this last clause more appropriately applicable, than the one before us, where the evidence is largely the testimony of experts as to which a trial court may be enlightened . . . *The rule requires that an appellate court make allowance for the advantage possessed by the trial court in appraising the significance of conflicting testimony and 'reverse only clearly erroneous errors.*" (pps. 537, 538). (Emphasis added)

The trial in the present action was prolonged and complicated. As noted by the District Judge, "The trial of this case consumed ten days and a great many exhibits, some of dubious value, were introduced in evidence. Counsel for the parties, after trial, filed voluminous original and reply briefs to which I have given long and serious study." (Appendix A, p. 2a).

The Circuit Court's opinion is not predicated on a review of the trial court's findings but on a "nisi prius" consideration of the evidence. In view of the special advantages possessed by the trial court in hearing the witnesses and in its first-hand examination of the evidence, if the Circuit Court felt that the findings of the trial court failed ade-

quately to express the Court's holding, then a remand for this purpose would appear to have been in order.

Clearly an independent consideration of the evidence on the assumption that findings thereon were non-existent is contrary to the requirements of Rule 52 and does not constitute a proper review. The Court of Appeals is not a trier of the facts.

POINT III

A REVIEW COURT MUST GIVE DUE WEIGHT TO THE TRIAL COURT'S FINDINGS ON VALIDITY.

In vacating the trial court's judgment in Paragraph 2 holding the '738 patent valid, the Circuit Court gave no consideration whatever to the findings of fact and conclusions of law of the trial court. These are expressed in the trial court's opinion as follows:

> "In its attempt to establish its defense that said patent is invalid over the prior art, the defendant has cited 13 prior patents in addition to those cited by the examiner. *I have considered all of these and find no basis for concluding that the improvements claimed in said patent '738 were described and set forth in those prior patents, or in any prior publications, or that the invention described therein was devoid of substantial novelty in view of the prior art.* In short, I find and conclude that said patent '738 is valid." (Appendix, p. 4a) (Emphasis added)

In its opinion denying a rehearing, the Circuit Court justified its passing over the question of validity by stating that its finding of non-infringement made this question moot. It therefor set the holding of validity aside, thereby leaving it open, as if it had never been adjudicated (Appendix C, p. 32a). It is not seen how, under Rule 52(a), a

review court can brush aside findings of a trial court in the absence of error therein.

As declared by this Court in *United States* v. *Gypsum Co. et al.*, 333 U. S. 364:

> "A finding is clearly erroneous when although there is evidence to support it the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed."

Even if the question of validity became hypothetical by reason of a finding of non-infringement by the reviewing court, this did not render an existing finding on validity by the trial court erroneous. Surely if the trial court erred it should be reversed. But where the trial court's judgment on validity is not in error, it cannot simply be extinguished or put in limbo.

POINT IV

THE COURT MUST FIRST LOOK TO THE PRIOR ART BEFORE CONSIDERING INFRINGEMENT.

In its decision, the Circuit Court gave no thought to the question of validity, for having arrived at a finding of non-infringement, it looked upon validity as moot. It may be presumed, therefore, that the thirteen prior-art patents and other prior publications cited by the defendant as evidencing invalidity of the '738 patent were not reviewed.

In its findings on validity, the trial court noted that it had considered the cited prior patents and publications and found no basis for concluding that the invention disclosed in the '738 patent "was devoid of substantial novelty in view of the prior art." (Appendix A, p. 5a). Thus while the trial court analyzed the '738 invention in the context of the prior art, no consideration was given by the Circuit Court

to the inventive contribution of the patentee as measured against the prior art.

Petitioner maintains that the question of infringement cannot be resolved without taking into account the prior art also bearing on patent validity, and that the review court's failure to do so is reversible error. As this Court has stated in *Eibel Co. v. Paper Co.*, 261 U. S. 45:

> "In administering the patent law *the court first looks in the art to find what the real merit of the alleged discovery or invention is and whether it has advanced the art substantially.* If it has done so, then the court is liberal in its construction of the patent to secure to the inventor the reward he deserves. If what he has done works only a slight step forward and that which he says is a discovery is on the border line between mere mechanical change and real invention, then his patent if sustained, will be given a narrow scope and infringement will be found only in approximate copies of the new device. It is the different attitude of the courts toward genuine discovery and slight improvements that reconciles the sometimes apparently conflicting instances of construing specifications and the findings of equivalents in alleged infringements." (page 63). (Emphasis added).

The Patent Code recognizes the significance of the prior art in matters of infringement as well as validity. In Section 282 of the Code, 35 U. S. C. 282 (Appendix E) dealing with defenses against a patent, it is stated in Paragraph 4 of this Section, that:

> "In actions involving the *validity or infringement* of a patent that party asserting *invalidity or non-infringement* shall give notice in the pleadings or otherwise . . . of any patent, . . . of any publication to be relied upon as anticipation of the patent

in suit, or . . . *as showing the state of the art.*". (Emphasis added)

The independent consideration given to the question of infringement by the review court was divorced from the prior art involved in validity, and hence led to a purely abstract and semantic construction of the claims. Thus, whether a structural element defined in the claims was to be strictly construed or interpreted broadly to cover equivalent elements having a similar function, could not be properly determined.

The need to consider the prior art and background of the invention when construing claims for purposes of infringement, has been stressed by this Court in *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 70 S. Ct. 854:

> "What constitutes equivalency must be determined against the context of the patent, *the prior art* and the particular circumstances of the case. Equivalence in the patent law is not the prisoner of a formula and is not an absolute to be considered in a vacuum. It does not require complete identity for every purpose and in every respect." (pp. 856, 857). (Emphasis added)

Having shut itself off from the prior art pertinent to validity and having compartmentalized the issue of infringement, the Circuit Court thereby impaired its ability to resolve these issues.

POINT V

WHEN A PATENT IS HELD BY THE TRIAL COURT TO BE VALID AND INFRINGED, THE APPEAL COURT SHOULD PASS ON VALIDITY, EVEN THOUGH IT REVERSES THE HOLDING ON INFRINGEMENT.

In denying Heyman's petition for rehearing, the Circuit Court indicated that in vacating the trial court's holding on validity, its action did not imply that the patent was valid or invalid, "but left the matter open" (Appendix C, p. 32a). Heyman was thereby restored to his pristine and unlitigated status. The trial judgment on validity was neither reversed nor affirmed; it was wiped out.

The Circuit Court reasoned that having found non infringement, the question of validity was moot, and in this connection it relied on *Altvater* v. *Freeman*, 1943, 319 U. S. 359, 363, wherein this Court stated, ". . . To hold a patent valid if it is not infringed is to decide a hypothetical case."

There are significant distinctions between the present action and the *Altvater* case. To begin with, in that case the appeal court, while treating the validity issue as moot, did not vacate or erase the trial court's judgment, but merely passed over the issue. Moreover, despite its statement as to the hypothetical nature of the issue, this Court remanded the case to the appeal court for consideration of the validity question. In the present case, there was no remand and the issue of validity was left open.

Seemingly, the action taken by this Court in the *Altvater* case was incompatible with its statement therein and left unsettled the question of whether withdrawal of a charge of infringement rendered the issue of validity moot. This apparent contradiction has been commented on

by the First Circuit in *Hawley Products Company* v. *United States Trunk Co.*, 1958, 259 Fed. 69:

> "We are not aware of any case squarely in point. But in Altvater v. Freeman, 1943, 319 U. S. 359; 63 S. Ct. 1115; 87 L. Ed. 1450, the Court held that although a decision of non-infringement finally disposed of a bill and answer, it did not dispose of a counterclaim which raised the question of validity of the patent in suit. *Wherefore the Court remanded the case to the court of appeals for consideration of the question of validity of the patent which the district court had passed on, but the court of appeals had not because it thought the question moot. And the Supreme Court reached its result in spite of the statement appearing in 319 U. S. on page 363. 'To hold a patent valid if it is not infringed is to decide a hypothetical case'.* . . . Explanation of the apparent inconsistency perhaps lies in the fact that of the two questions of validity and infringement, validity has the greater public importance. (page 75) (Emphasis added)

Petitioner has shown that the prior art, which is a major factor in questions of validity, is directly relevant to the issue of infringement. It has also shown that while a conclusion on validity may not be essential, once a finding of non-infringement is reached, the question of infringement nevertheless entails consideration of factors underlying validity and is to that extent interwined therewith.

In failing to pass on the issue of validity, at least to the extent of evaluating the inventive contribution of the patentee, the appeal court not only subverts the requirements of Rule 52(a), but it disables itself in its consideration of infringement.

Moreover, the matter of patent validity is one both of private and public importance. A patent adjudicated to be

valid is of great value to the patentee whether or not in a particular instance it is held to be infringed. And since a patent represents a lawful monopoly, its validity or non-validity is a matter of public concern. It is for this reason that this Court has stated that of the two questions of validity and infringement, validity has greater public importance. *Sinclair & Carroll Co.* v. *Interchemical Corp.*, 1944, 325 U. S. 327.

POINT VI

THE QUESTIONS RAISED ARE OF PRIMARY IMPORTANCE.

This Court does not appear to have laid down a clear cut standard which would afford guidance in situations of the type in question and which would reconcile the requirements it has established for testing infringement with those it has set out for validity.

The uncertainties and apparent inconsistencies which exist as between the issues of infringement and validity, particularly those created by the *Altvater* v. *Freeman* case, are in need of clarification. While in a technical sense, a holding of non-infringement may render the question of validity moot, the principles underlying validity must be brought into play before resolving the issue of infringement. Also, the public importance of the question of validity appears to override what might otherwise seem to be a hypothetical issue.

Where, therefore, as in the present case, the review court, in following the *Altvater* case, isolates itself from the prior art when determining infringement, it reaches a conclusion in a vacuum and renders judgment without first weighing the contribution made by the inventor. Clearly what is called for is an evaluation of the factors

involved in validity, not necessarily to arrive at a conclusion of law on this issue, but sufficient to assess the merit of the invention preparatory to a construction of the claims alleged to be infringed.

Settlement of this question is plainly in the public interest, for the issues of infringement and validity arise repeatedly and the question is of vital concern in the administration of the patent laws.

Moreover, the complex nature of patent cases dictates the need for special care on the part of an appellate court when reviewing the findings of a trial court. The sole justification for reversal is where the appellate court is definitely convinced that the findings are in error. This conviction cannot come into being unless the appellate court has findings to consider.

If, therefore, it is the position of the appellate court that findings are lacking and the opinion of the district court "gives us no assistance", the only means by which the apellate court can secure the benefit of the local court's special advantage in hearing the case, is to remand the case for findings deduced from the evidence. An independent consideration of the evidence without any regard for the trial court's evaluation thereof, is not a fair review.

CONCLUSION

For the foregoing reasons, this petition for a writ of certiorari should be granted.

Respectfully submitted.

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APPENDIX A

Opinion of District Court for the District of Rhode Island

June 23, 1961

DAY, *District Judge*. In this suit, as originally filed, plaintiff alleged infringement by the defendant of plaintiff's patent No. 2,476,738, issued July 19, 1949, to plaintiff as assignee of Ferdinand Klumpp, Jr. for the construction of a solderless blade for electrical plug caps. In its answer setting up the defenses of invalidity and non-infringement the defendant included a counterclaim alleging that plaintiff had infringed the claims of four letter patent belonging to it as the assignee of William P. Herman. These patents are (1) No. 2,191,384, issued February 20, 1940 for the construction of a contact plug, (2) No. 2,191,385, issued February 20, 1940, also for the construction of an electrical plug, (3) No. 2,198,966, issued April 30, 1940, for the construction of a connector plug assembly apparatus and (4) No. 2,278,176, issued March 31, 1942, also for the construction of an apparatus for assembling of connector plugs.

After the filing of the defendant's answer and counterclaim, the plaintiff was granted leave to file, and did file, an amended complaint wherein it alleged that the defendant had also infringed its patent No. 2,558,052, issued to it on June 26, 1951, as the assignee of the said Klumpp, Jr. This patent related to a process for making solderless blades for electrical plug caps. In its answer to this complaint, the defendant also asserted that said patent was invalid for want of invention and also denied infringement thereof.

Plaintiff in its answer to defendant's counterclaim denied the invalidity of each of the defendant's patents and

in the alternative, any infringement thereof. However, during the trial and in its brief, its defenses thereto were —"(1) The claims of the '384 and '385 patents in suit are invalid because William P. Herman is not the inventor thereof, (2) The claims of the '966 capping machine patent in suit are an invalid combination of features that are old in the prior art. (3) The claims of the '966 capping machine patent are invalid as Herman is not the inventor thereof, (4) Heyman does not infringe any claims of the '176 patent in suit."

The trial of this case consumed ten days and a great many exhibits, some of dubious value, were introduced in evidence. Counsel for the parties, after trial, filed voluminous original and reply briefs to which I have given long and serious study. To recite and discuss the many and diverse contentions advanced by the parties would serve no useful purpose and would unnecessarily prolong this opinion. In all candor, in some respects the evidence adduced left much to be desired in respect to its value.

As hereinbefore stated, the Klumpp patent '738 relates to the construction of a solderless blade for an electrical plug cap. It contains two claims, both of which, the plaintiff contends have been infringed by the defendant. These claims read as follows:

> "1. A solderless blade for an electrical plug cap comprising, a one piece strip of suitable material having its opposite ends bent over toward each other to form a two part slidable plug contact portion, one of said contact parts being longer than the other and terminating in a bent over end divided so as to receive an insulated electrical conductor therebetween, each division having a finger at its end initially ex-

tending at an acute angle inwardly toward the other as well as toward the conductor and adapted to be forced into the insulation of the conductor on opposite sides of a diameter thereof, the shorter of said two contact portions having means at its end for assisting in locating the blade in the plug cap, a pair of oppositely spaced lugs on the longer of said blade portions positioned adjacent said locating means, the lugs having their free edges formed diagonally in opposite directions so when they are bent over the bare conductor end, their edges will substantially meet and form a gripping closure around said conductor end.

2. A solderless blade for an electrical plug cap comprising, a one piece strip of suitable metal having its opposite ends bent over toward each other to form a two part slidable plug contact portion, one of said contact parts extending beyond the other part and terminating in a bent over end projection before assembly with a conductor in a direction which will intercept a plane extending from the shorter of said two parts, this bent over end consisting of two portions spaced so as to receive the outer insulation of an electrical conductor therebetween, each of said spaced portions terminating in a finger projecting outwardly at an angle to the plane of said portion, said spaced portions being adapted to be forced downwardly and toward the plug contact portions while the said fingers are adapted to be simultaneously forced downwardly and inwardly toward each other into gripping position over the insulation of the conductor, said extending contact part, having cutaway sections on opposite sides adjacent the end of the other of said two plug contact portions, said cutaway sections forming lugs having their free edges cut on diagonals whereby when these lugs are forced

Appendix A—Opinion of District Court for the District of Rhode Island

over the bared end of the conductor they will substantially meet and form a gripping enclosure around the conductor end."

The evidence establishes that prior to the introduction of contact blades made in accordance with the teachings of the '738 patent, the bulk of all contact blades made and sold were of solid construction about 1/16" thick with holes to permit the conductor to be soldered to the blade. It is clear that the attachment of the conductor to that type of blade was time consuming and expensive, but was necessary to produce a secure bond between the contact blade and the conductor. In addition, when solder was used to secure the conductor to the blade, there was a tendency for the solder through capillary action to be drawn up into the conductor, causing it to stiffen and to become difficult to handle in assembly operations.

The testimony further establishes that the difficulties incident to the use of soldered blades limited the assembling of cord sets by one operator to between 200 and 300 per hour. After the introduction of said solderless, crimped blade, made in accordance with said '738 patent, the number of cord sets assembled by one operator using such blades increased to an average of 2000 per hour. Moreover, it is clear that the solderless blades produced prior thereto had insecure and unsatisfactory conductor and insulation grippings. That said solderless blade met with substantial and continued commercial success is established beyond doubt.

In its attempt to establish its defense that said patent is invalid over the prior art, the defendant has cited 13 prior patents in addition to those cited by the examiner. I have considered all of these and find no basis for concluding that

the improvements claimed in said patent '738 were described, and set forth in those prior patents, or in any prior publications, or that the invention described therein was devoid of substantial novelty in the view of the prior art. In short, I find and conclude that said patent '738 is valid.

Defendant's further contention that said patent describes an inoperative disclosure, in my opinion, requires no discussion. The credible evidence satisfies me that the plaintiff's blades are made in accordance with the disclosures of said patent.

It further appears that the defendant, in late 1951, after several attempts to produce a satisfactory solderless contact blade, began to manufacture and sell a crimped blade indistinguishable from the patented product. That the defendant appreciated this is shown by its admitted use in its sales catalogue, describing its products, of a copy of a drawing of the plaintiff's used by the latter in advertising its blades. The conclusion is inescapable that the defendant has deliberately infringed the plaintiff's patent '738, and I find specifically that its blades, Nos. 3 MB-2, 3-B, 3 MB, 3 MBS-2, 3 MAS and 3 MBS-1 infringed said patent.

Originally, plaintiff contended that the defendant, in the manufacture of its solderless blade P.P.E., infringed claims 1, 2, 3, 4, and 6 of its '052 patent. During the trial it relied solely on alleged infringements of claims 4 and 6, and withdrew any and all claims of alleged infringements of claims 1, 2 and 3. Patent '052 relates to the process of making solderless contact blades from a strip of suitable metal fed in and through a progressive die. Defendant concedes that its P.P.E. blade is made from a single strip of metal, fed in and through a progressive die.

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The evidence discloses that the application of said patent '052, after substantial amendments to its claims, was finally allowed by the Board of Appeals which reviewed the conclusions of the Examiner.

Claims 4 and 6 of this patent read as follows:

> "4. The process of making solderless blades for electrical plug caps which consist in passing a strip of suitable metal through a punch press, punching four rows of holes longitudinally of the strip, two rows being near one edge and spaced apart but a short distance but in transverse alignment, the other rows being toward the opposite edge of the strip and in transverse lines midway between the transverse alignments of the holes near said one edge, shearing off the metal diagonally starting from the edge of the strip, at a point so the major part of the shear will be below the hole, each shear extending to its hole in the row nearest the ledge and to the lower part of the hole farthest away from the starting point of the diagonal and at the same time shearing off on a diagonal, the metal from an upper corner of this edge positioned hole to the hole in alignment in the inner row, at the same time transversely shearing off the metal from the hole in the inner row to the opposite edge of the strip passing midway between two pair of holes located toward said opposite edge, except for a small retaining lug, and then bending over a positioning ledge at the free sheared edge, then bending over the sheared end having the ledge with the bend coming midway between the second mentioned rows of holes until it engages the metal adjacent the inner holes of the edge rows, then forming up the metal portion defined by said diagonal shearing to provide fingers to receive the bared end of a conductor and the insulation of the conductor."

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> "6. The process of making solderless blades for electrical plug-caps as set forth in claim 4 further defined in that the process includes forming at least two of the blades simultaneously."

In this patent the objects of the invention are stated to be not only to make a blade like that covered by patent '738, for secure gripping of the conductor and the insulation of the conductor, "but to accomplish these objects in a cheaper manner by using less material to offset increasing cost thereof, and processing the same in a new and improved manner to offset at least in part higher labor costs."

Claims 4 and 6 were originally denied by the examiner for want of novelty over prior art. On appeal, the Board of Appeals, in reversing the examiner and allowing said claims said:

> "The claims on appeal define a sequence of detailed punching and shearing steps resulting in the production of contact blades in a manner stated to be cheaper because less material is used and the Examiner is of the opinion that the claimed process is lacking in invention over the references. . . . We think there is a relationship between the claimed punching and diagonal shearing steps and the transverse shearing of the strip, serving to delimit the blade that is not disclosed in the references and we are of the opinion that practice of the claimed method would result in the advantages that have been attributed to it . . ."

Plaintiff offered no testimony by an eye-witness as to the method or process employed by the defendant in the manufacture of its P.P.E. blade. To support its claim

of infringement it relied upon the testimony of an expert who undertook to describe the steps in its manufacture from an examination of a strip of completed blades and a development strip of such P.P.E. blades showing the production of the blade from the original metal strip.

Without summarizing his testimony, it is fair to say that at best it was conjectural. In opposition thereto the defendant produced a witness who had observed the actual production of defendant's blade. From a consideration of this conflicting testimony I am satisfied that the process employed by the defendant is substantially dissimilar from that covered by the patent. Plaintiff's process employs five separate steps, one of which is punching for metal removal and a second of which is shearing four separate and distinct lines for metal separation, with the remaining steps involving bending and forming operations. Defendant's process, on the other hand, involves nine separate steps, the first, second, third, fourth and sixth steps, involving punching, with a considerable amount of metal being removed from the metal strip thereby; the fifth step involving a single shear line, and the remaining steps involving bending and forming operations. In addition to the dissimilarity of the steps employed and the sequence in which they occur, the blade produced by the defendant's process is different from that covered by said patent. The method covered by the patent involved the formation of blades which closely adjoin one another and which are separable by slight pressure by one's fingers for the purpose of assembly in a cord set, and relatively little scrap or waste of metal is produced in their manufacture. On the other hand, the defendant's blades, in their manufac-

ture, are spaced substantially apart and are connected by a bridge bar which must be severed in a separate operation and considerable scrap results from the five punching operations employed in their construction.

Plaintiff concedes that I must find that punching and shearing are equivalent operations if said claims 4 and 6 are to be found to be infringed by the method employed by defendant in its production of said P.P.E. blade. I am unable to so conclude. In my judgment, as used in said patent, "shear" means merely metal separation along a line, without any appreciable scrap resulting therefrom, while "punch" means an area of metal removal with considerable scrap being produced thereby. Having in mind the crowded state of the art when said patent '052 was allowed on appeal, and the obvious weight given by the Board of Appeals to the claimed savings in material to be effected by the asserted invention of the applicant, I am unwilling to conclude that "shearing" and "punching" are equivalents.

Plaintiff concedes that said patent did not cover spaced blades with scrap formation between the contact portions of the blade, as is present in the P.P.E. blade. Defendant's blade is clearly such a blade.

Since defendant's process does not perform substantially the same function as that covered by said patent in the same way to obtain the same result, it cannot be said that defendant's process infringes said patent. *Graver Tank & Mfg. Co., Inc.* v. *Linde Air Products Co.*, 1950, 339 U. S. 605; *Holtzer-Cabot Electric Co.* v. *Standard Electric Time Co.*, 1940, 1 Cir., 111 F. 2d 71.

Patents '384 and '385, as hereinbefore stated, relate to the construction of electrical contact plugs. They were

issued the same day with consecutive numbers. They differ only in that the contact blades could be inserted from either end of the plug in patent '384, and from only one end in patent '385. Defendant contends that plaintiff's plugs, defendant's exhibits XX and YY, infringe these patents. It was conceded by the plaintiff that said accused items were made and sold by it within the six year period prior to the expiration of said patents. Plaintiff offered no evidence on the issue of the infringement thereof.

I am satisfied by the evidence and conclude that patent '384 was infringed by plaintiff's structure, defendant's exhibit XX, and that its structure, defendant's exhibit YY, infringed said patent '385.

The sole issue with respect to these patents is—was the said Herman the inventor of the inventions covered by said patents. The plaintiff has endeavored to show that one Arthur Brownstein, an employee for about three months in 1935 of the corporation of which Herman was then the president, was in fact the inventor. The evidence shows that Brownstein left his employment after a disagreement with Herman. About two years later Brownstein apparently instigated by others filed an application for a patent on a resilient rubber electric plug which covered substantially the same ideas and structures set forth in applications for letters patent previously filed by Herman in May, 1935 and in April, 1938. In 1939, the defendant (then called Electrix Corporation) sued Brownstein in the United States District Court for the District of Connecticut for cancellation of his application which had become involved in an interference proceeding with said Herman applications. It appears that this suit was settled

in the same year for the sum of $2,700. upon the relinquishment by Brownstein of any and all claims to the inventions claimed by Herman in his applications. Thereafter, said patents '384 and '1385 were issued to Herman. Brownstein testified in support of plaintiff's contention that he, not Herman, was the inventor of said contact plugs covered by said patents. Frankly, I was far from impressed by his testimony and I am not satisfied that he was the inventor of said structures. Similarly, I was not convinced by the testimony of the witness, Carl H. Judisch, who was a fellow employee of Brownstein for said period of about three months in 1935, and who endeavored to corroborate the testimony of Brownstein as to certain events claimed to have occurred more than twenty-five years prior to the trial of this case.

The situation presented is governed by the rule of law that when a person charged with infringement of a patent seeks to establish anticipation by means of oral testimony he must do so by proof that leaves no reasonable doubt as to the fact. This rule of law is clearly stated in The Barbed Wire Patent, 1892, 143 U. S. 275, where the Supreme Court said at page 284:

> "... Witnesses whose memories are prodded by the eagerness of interested parties to elicit testimony favorable to themselves are not usually to be depended upon for accurate information. The very fact, which courts as well as the public have not failed to recognize, that almost every important patent, from the cotton gin of Whitney to the one under consideration, has been attacked by the testimony of witnesses who imagined they had made similar discoveries long before the patentee had claimed to have invented his device, has tended to

> throw a certain amount of discredit upon all that class of evidence, and to demand that it be subjected to the closest scrutiny. Indeed, the frequency with which testimony is tortured, or fabricated outright, to build up the defense of a prior use of the thing patented, goes far to justify the popular impression that the inventor may be treated as the lawful prey of the infringer. The doctrine was laid down by this court in Coffin v. Ogden, 18 Wall. 120, 124, that 'the burden of proof rests upon him, 'the defendant, 'and every reasonable doubt should be resolved against him * * *' This case was subsequently cited with approval in Cantrell v. Wallick, 117 U. S. 689, 696, and its principle has been repeatedly acted upon in the different circuits. . ."

See also, *Cold Metal Products Company* v. *E. W. Bliss Company*, 1960, 6 Cir., 285 F. 2d 244; *Western States Mach. Co.* v. *Ferguson*, 1931, D. C. R. I., 47 F. 2d 775.

In my opinion, the testimony that Brownstein invented the devices covered by said patents is far from clear and convincing, and falls far short of being adequate proof to overcome the presumption of the validity of said patents.

Similarly, the plaintiff contends that said '966 patent is invalid because of want of invention and, secondly, because if the method constituted invention, that the said Judisch and not Herman, was the discoverer thereof. In support of the first of these contentions the plaintiff cites two prior art patents, viz., Brown, U. S. Patent No. 2,097,057, filed 15, 1932 and issued October 26, 1937, and Turner, U. S. Patent No. 2,163,716, filed January 26, 1935 and issued June 27, 1939.

The broad idea that electric caps must have the ends thereof spread open to permit entry of the blade-conductor

assembly is clearly disclosed by the Brown patent. Its specifications provide as follows:

> "After the wires of the cable 3 have been attached to the terminals 6 and 7 as just described and as shown in Figure 3, they are adapted to be inserted in the plug 1. This is done by means of a suitable expanding tool which is adapted to be inserted into the hole 2 and operated to expand the upper end of the plug so that the cable 3 with the terminals 6 and 7 may be inserted therethrough. The terminals 6 and 7 are guided into their respective channels 4 and 5 by another cooperating tool, and the lugs 8 will be located in their seats 9. When the said tools are removed from the plug, the terminals will be securely gripped in the channels 4 and 5 and seats 9, so that the complete assembly is substantially as illustrated in Figure 1." (page 1, lines 5-21).

The patentee claiming the electric contact plug covered thereby to be an article so constructed and to have such properties as to permit the carrying out of the methods of assembly described in claims 5, 6 and 7 of said patent. Claims 1 to 4 relate to the plug. Typical of these claims is claim 3 which read as follows:

> "3. An integral resilient plug body having a plurality of parallel openings extending into the body in one direction and adapted to receive contact prongs, a single opening extending into the body in opposition to said first direction and communicating with all said parallel openings, the walls of said single opening extending in said first direction but a short distance from the adjacent ends of said spaced openings and adapted to be stretched to permit

direct insertion of contact prongs into said spaced openings."

Claim 6 is typical of the assembly method claims. It reads as follows:

> "6. The method of locating a pair of spaced contact pins in a plug body of resilient material having a central axial opening at its inner end and two spaced axially-extending openings at its outer end connected with the axial opening, which includes the steps of forcing the walls of said axial opening at the inner end of the plug apart a distance greater than the distance between the two spaced axially-extending openings, moving the spaced contact pins simultaneously in a straight line movement through the distended central axial opening into the plug body to proper axial positions relatively to the plug body and then permitting the forced-apart walls to approach each other to substantially normal position."

While it is true that Brown does not include any drawing of the suitable expanding tool referred to in the specifications, or of the method of inserting or removing it, it would seem to be well within the range of any routine machine designer to devise a tool for carrying out such disclosure, and the development of such a mechanism would not amount to invention. *Saranac Automatic Machine Corporation* v. *Wirebounds Patents Company*, 1932, 282 U. S. 704.

Moreover, a practical scheme for carrying out the disclosure of Brown is taught by the Turner patent which appears to have been overlooked by the examiner, for it is nowhere cited in the file of said '966 patent. In my opinion, the defendant's characterization of Turner as

"Rube Goldberg" is unwarranted and cannot serve to minimize the teachings of that patent. While it may be conceded that defendant's method has practical advantages over the prior art, it cannot be said that the improvements made by Herman rise to the dignity of invention. I conclude, therefore, that said patent '966 was invalid for want of invention.

My conclusion in this regard makes it unnecessary for me to discuss in detail plaintiff's further contention that said Herman was not the inventor of the method covered by said patent. Without reviewing the evidence directed to this contention, I find that the testimony offered to show that Judisch was the inventor of said alleged discovery falls far short of the quality and quantum of proof required in such case. *The Barbed Wire Patent, supra; Gold Metals Products Company v. E. W. Bliss Company, supra; Western States Mach. Co. v. Ferguson, supra.*

As originally filed, the application which resulted in the issuance of said patent '176 contained 31 claims. Eventually said application was granted as to 4 claims only. Each of these claims recites that certain "lock pins" are employed to hold the neck spreading mechanism open while the blade conductor assembly is drawn through the electrical cap.

For example, claim 1 recites as its final element:

> ". . . and lock pins slidably mounted on said base and adapted to enter openings in said blocks when said blocks are in separated positions for locking said fingers in distending position during the movement of said carriage."

It is undisputed that the plaintiff's accused machine employs no lock pins. The evidence clearly establishes that

the lock pins perform important and specific functions in defendant's machine and that a different cam action is employed in the accused machine.

Where claims are limited in the patent office following cancellation or rejection, as in this instance, the terms of limitation are controlling. *Schriber-Schroth Co.* v. *Cleveland Trust Co.*, 1940, 311 U. S. 211; *Weber Electric Co.* v. *E. H. Freeman Electric Co.*, 256 U. S. 668.

In *Schriber-Schroth Co.* v. *Cleveland Trust Co.*, *supra*, the Supreme Court held at page 220:

> "It is a rule of patent construction consistently observed that a claim in a patent as allowed must be read and interpreted with reference to claims that have been cancelled or rejected, and the claims allowed cannot by construction be read to cover what was thus eliminated from the patent. (citations omitted). The patentee may not, by resort to the doctrine of equivalents, give to an allowed claim a scope which it might have had without the amendments, the cancellation of which amounts to a disclaimer."

The accused machine and that covered by the '176 patent are completely different in design. As noted by the examiner who rejected all the claims of the Herman application, original and amended, Brown and Turner had both earlier taught the idea of spreading open the electrical cap and pulling the blade-conductor assembly into the cap from the face thereof. The only contribution of the '176 patent is the teaching that the spreading mechanism employed to distend the cap may be kept open during the pulling operation by means of said lock pins.

In view of the prior art and the cancellation and rejection of the claims originally filed, I believe that the patent-

should be construed as limited to a machine employing lock pins to keep the spreading mechanism open during the pulling operation, and ought not to be given any broader interpretation. *Schriber-Schroth Co. v. Cleveland Trust Co.; supra.* I find and conclude that plaintiff's machine does not infringe said '176 patent.

In summary, I find and conclude that defendant's blades, Nos. 3 MB-2, 3B, 3 MB, 3 MBS-2, 3 MAS and 3 MBS-1 infringe the plaintiff's patent No. 2,476,738, and that the plaintiff is entitled to a permanent injunction against further infringement by the defendant and an accounting for profits and damages; that defendant's patents Nos. 2,191,384 and 2,191,385 were valid, that plaintiff's products, defendant's exhibits XX and YY, infringed them and that the defendant is entitled to an accounting for profits and damages; that defendant's patent No. 2,198,968 was invalid for want of invention over the prior art and that plaintiff has not infringed defendant's patent 2,278,176.

The parties will prepare and submit a decree in accordance with the foregoing findings and conclusions.

(s) EDWARD W. DAY

United States District Judge

FINAL JUDGMENT

This cause having come on to be heard before this Court, and the Court having rendered its opinion including findings of fact and conclusions of law, it is

Appendix A—Opinion of District Court for the District of Rhode Island

ORDERED, ADJUDGED AND DECREED:

1. That United States Letters Patent No. 2,476,738, issued to plaintiff on July 18, 1949, as assignee of the inventor Ferdinand Klumpp, Jr., is good and valid as to claims 1 and 2 thereof;

2. That the defendant has infringed claims 1 and 2 of the said patent No. 2,476,738;

3. That United States Letters Patent No. 2,558,052, issued to plaintiff on June 26, 1951, as assignee of the inventor Ferdinand Klumpp, Jr., is good and valid as to claims 4 and 6 thereof;

4. That the said patent No. 2,558,052 has not been infringed by defendant;

5. That plaintiff's amended complaint be sustained as to the said patent No. 2,476,738, but dismissed as to the said patent No. 2,558,052.

6. That United States Letters Patent No. 2,191,384, dated February 20, 1940, owned by defendant-counterclaimant as assignee of the inventor William P. Herman, is good and valid in law as to claims 2, 3, 4, 5, 6 and 8 thereof;

7. That plaintiff has infringed claims 2, 3, 4, 5, 6 and 8 of the said patent No. 2,191,384;

8. That United States Letters Patent No. 2,191,385, dated February 20, 1940, owned by defendant-counter-

claimant as assignee of the inventor William P. Herman, is good and valid in law as to claims 2, 3 and 7, thereof;

9. That plaintiff has infringed claims 2, 3 and 7 of the said patent No. 2,191,385;

10. That United States Letters Patent No. 2,198,966, dated April 30, 1940, owned by defendant-counterclaimant as assignee of the inventor William P. Herman, is invalid as to claims 1, 3, 5, 6, 8, 9 and 11 to 16 thereof;

11. That United States Letters Patent No. 2,278,176, dated March 31, 1942, owned by defendant-counterclaimant as assignee of the inventor William P. Herman, is good and valid as to claims 1, 2 and 3 thereof;

12. That the said patent No. 2,278,176 has not been infringed by the plaintiff;

13. That defendant's amended counterclaim be sustained as to the said patents Nos. 2,191,384 and 2,191,385, but dismissed as to the said patents Nos. 2,198,966 and 2,278,176;

14. That a perpetual injunction issue out of and under the seal of this Honorable Court, directed to the defendant HAP Corporation, its associates, directors, officers, attorneys, clerks, servants, workmen, representatives, confederates and privies, and all persons, firms, and corporations claiming by, through and under it, or in active concert or participation with it, under its authority restraining them and each of them from making, using, sell-

ing or offering to sell, and/or distributing solderless blades for electric caps embodying the invention patented and claimed in the United States Letters Patent 2,476,738, during the term of such patent.

15. That the case be referred to Francis O'Brien, Esq. of Industrial Trust Bldg., as Special Master, to ascertain the amount of the profits made by defendant, or damages adequate to compensate plaintiff for said infringement by defendant of the said patent No. 2,476,738 and to determine a reasonable royalty for the use made of the invention of said patent No. 2,476,738 by defendant, and to ascertain the amounts of the profits made by plaintiff and damages adequate to compensate defendant for said infringements by plaintiff of said patents Nos. 2,191,384 and 2,191,385 and to determine a reasonable royalty for the uses made of the inventions of said patents Nos. 2,191,384 and 2,191,385 by plaintiff, and thereupon to report to this Court for the determination by the Court of the amounts to be awarded to the plaintiff and to the defendant respectively by reason of said infringements; and that the parties, on the taking of accounts before said Special Master, shall have the right to cause an examination of the plaintiff and of the defendant, ore tenus, or otherwise as the Special Master may determine, and also said Special Master shall have the right to cause the production of all proper books, vouchers and documents of the parties for the determination as to reasonable royalties, and to direct the attendance

of the parties hereto before him for such purposes from time to time as said Special Master shall direct:

16. The parties shall bear their own costs.

DATED: Providence, Rhode Island, Nov. 17, 1961.

(s) EDWARD W. DAY
United States District Judge

Approved as to form

(s) JOHN H. CHAFEE
Attorney for Plaintiff

(s) MAX SCHWARTZ
Attorney for Defendant

APPENDIX B

Opinion of United States Court of Appeals for the First Circuit

November 20, 1962.

ALDRICH, *Circuit Judge*. Heyman Manufacturing Company sued Hap Corporation for infringement of two patents. Hap counterclaimed for infringement of four others. The district court found for plaintiff on one patent, and for plaintiff in counterclaim on two. 196 F. Supp. 447. On these appeals each party has accepted one defeat, so that now four patents are involved.

Both parties have been engaged for many years in the metal stamping business making, *inter alia*, blades to be inserted (in pairs) in plugs by which household electrical cords, or conductors, can be connected with wall receptacles, or outlets. The problems needed to be met in the manufacture of plug and cord assemblies are the establishment of an electrical union between the blade and the wire, and the obtaining of a secure overall connection to withstand abuse by users who, in removing from the receptacle, pull on the cord instead of the plug. Until after World War II both problems were usually, although not always, met in this type of plug by soldering the wire to the blade. This method was time-consuming, and so produced high labor costs. In March, 1947, one Klumpp, assignor to plaintiff Heyman, filed an application for a solderless blade, which was granted as Patent No. 2,476,738 on July 19, 1949. The Patent Office proceedings resulted in the abandonment of all seven original claims because of prior art, or because purely functional, and the adding of three more, one of which was early accepted and became claim 1, and two of which, after extensive

revision, became claim 2, the only allowed claim. Our very considerable difficulty with this patent comes in part from the court's failure to deal with this history, an error possibly it was led into by accepting as a patent expert for Heyman a man with very valuable experience in the cord assembly field, but who admittedly knew nothing about patents, and who testified freely about this one without having looked at, let alone comprehended, the file wrapper. We have indicated the superficiality of such an approach before. *Unistrut Corp. v. Power*, 1 Cir., 1960, 280 F. 2d 18; *Progressive Engineering, Inc. v. Machinecraft, Inc.*, 1 Cir., 1959, 273 F. 2d 593, 598. See also *Carter Products, Inc. v. Colgate-Palmolive Co.*, 4 Cir., 1959, 269 F. 2d 299; *Moon v. Cabot Shops, Inc.*, 9 Cir., 1959, 270 F. 2d 539, *cert. den.*, 361 U. S. 965.

The '738 patent shows an elongated metal strip, bent back on itself, the bend forming the apex of the ultimate blade. One returning end terminates with (claim 1), or without (claim 2), a right-angle positioning ledge for firmer location within the plug. The other, longer, returning end terminates with two sets of lugs, or clamps. In assembly with the cord the inner lugs are crimped over the exposed end of one of the wires, and the outer set over its insulation. During the prosecution the examiner pointed out, and the evidence at the trial abundantly shows, that solderless clamps for bare wire, and various methods of gripping insulation, were old; that it was not invention to combine the two, and that the novelty, if any, was in the method. It was further evident that there was no novelty in Klumpp's bare wire clamps, or in the claim 1 positioning ledge. As the examiner said, "Invention, if any, lies only in insulation gripping means." These means, in the

stamped, pre-assembly blade, which is the patent, are described as follows.

> Claim 1. ". . . a one piece strip . . . terminating in a bent over end divided so as to receive an insulated electrical conductor therebetween, each division having a finger at its end initially extending at an acute angle inwardly toward the other as well as toward the conductor and adapted to be forced into the insulation of the conductor on opposite sides of a diameter thereof. . . ."
>
> Claim 2. ". . . a one piece strip . . . terminating in a bent over end . . . consisting of two portions spaced so as to receive the outer insulation of an electrical conductor therebetween, each of said spaced portions terminating in a finger projecting outwardly at an angle to the plane of said portion, said spaced portions being adapted to be forced downwardly and toward the plug contact portions while the said fingers are adapted to be simultaneously forced downwardly and inwardly toward each other into gripping position over the insulation of the conductor. . . ."

Claim 1 requires no extensive consideration. We are unwilling, and particularly so in the light of the claim history, to accept "forced into the insulation . . . on opposite sides of a diameter thereof" as meaning, or equivalent to, within a single semicircle, viz, on the *same* side of a diameter. Heyman contends that this phrase is satisfied by placing the fingers within the top semicircle, one on each side of a "vertical" diameter. Such an interpretation would seem meaningless. It would be almost impossible to place two fingers so that they did not satisfy "on opposite sides of a diameter" within this construction. The drawings do not show fingers adjacent to each other within a single semi-

circle, but fingers extending to the point of being diametrically opposite each other, which exactly fits the phrase in question. Perhaps even more important, Heyman's contention would mean that there was no essential difference between "on opposite sides of a diameter," claim 1, and merely "over the insulation," claim 2.[1] The file history shows a preoccupation on the part of the examiner with the exact positioning of the "gripping." He readily allowed claim 1. We think this was clearly because he considered it as having the specificity we have just outlined for the location for the fingers. The claim language must be taken to mean what it says. *Cf. Moon v. Cabot Shops, Inc., supra.* On this basis there is no infringement, for the fingers of the accused device have not been shown to fall within this description.[2] The balance of this opinion will, accordingly, deal only with claim 2.

We observe, preliminarily, that the insulation grips, as described in the specifications, were produced by removing a central portion of the longer returning end so as to leave two separated what we shall call prongs, termed in the patent "spaced portions." Each of these, in turn, terminates in a tab or "finger projecting outwardly at an angle to the

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[1] Heyman in fact argues that there is no difference between claim 1 and claim 2 except for the presence in claim 1 of the positioning ledge earlier referred to. This not only ignores the difference in language we are presently discussing, but again ignores the file history. The examiner pointed out, and plainly established, that there was no novelty in the positioning ledge. Thus there would have been no reason for allowing claim 2 if there were not some other, significant, difference.

[2] Heyman's disposal of the word "diameter" as "a semantic convenience," and of Hap's contentions as "subtle reasoning," like much of its brief, is less than constructive. Its explanation of the extensive file wrapper history of both claims as being mere "semantic interplay" warrants equal if not a sharper comment.

plane of said portion." It is clear that "outwardly" is in the direction of the cord, or away from the blade end, the blade end being "inward," (*i.e.*, toward the major bend in the strip). The latter is demonstrated by the specifications quoted immediately *infra*, which define "inwardly" "as shown by figure 6." Figure 6 shows a bend toward the blade end. Correspondingly, "outwardly," with specific reference to the direction of the fingers, was twice defined in a letter to the examiner "as shown in figure 3." Figure 3 shows the projection away from the blade end.

The prongs, in turn, are bent upwards,[3] so that in assembly they will receive, and flank, the wire. The specifications are explicit as to the total function. The prongs, or spaced "portions 4 and 5 have fingers 7 and 8 respectively which are adapted to be bent on diagonal lines or at acute angles with respect to the axis of the conductor so as to grip the insulation . . . after the parts 7 and 8 are forced toward each other over the insulation at the same time that the portions 4 and 5 are bent inwardly, as shown in figure 6." Throughout the processing, the importance of detail was emphasized by the examiner. In criticising an earlier-phrased claim he said that it failed to "set forth physically the *specific* elements that are to grip the insulation . . . The portions furthermore are at a definite angle to the *fingers* and it appears that this angle is maintained when the insulated conductor is secured to the blade . . . . Upon bending the portions to an acute angle with respect to the plane of

[3]Many of Hap's defenses stem from the fact that the patent drawings show this as a right-angle bend. We have considered all of these arguments, and shall not further refer to them. But we observe at this point that the phrase "right-angle bend" was once in the claims, and was removed. Furthermore, portions of a drawing that are not even indirectly defined in the specifications or claims are not limitations in any event.

one of the blade legs, [*i.e.*, "towards the plug contact portions," to quote the eventual claim] the overhanging metal will engage the insulation of the conductor, particularly the apex formed on the line of bend between the portions and the fingers. This is considered the exact point of novelty and may not be defined merely as 'spaced portions having outwardly extending fingers'." (ital. in orig.) A similar comment is quoted *infra*.

With this background we turn to the question of infringement. On this the district court gives us no assistance. After quoting both claims in full, and reciting Heyman's commercial success, the court simply states that "said patent '738 is valid . . . [that the] credible evidence satisfies me that the plaintiff's blades are made in accordance with the disclosures of said patent' . . . [and that because Hap used in its advertising a copy of a drawing of the plaintiff's product] [t]he conclusion is inescapable that the defendant has deliberately infringed the plaintiff's patent '738 . . ." The court did not analyze the claims, or the differences between them. Nor did it resolve any of the conflicts in the testimony, or make findings of fact in accordance with Fed. R. Civ. P. 52(a). In this posture we have two alternatives: either to remand the action for findings or, if we determine that the evidence viewed most favorably to Heyman would not warrant a finding of infringement, to dismiss this portion of the complaint.

In our opinion, dismissal is the proper course. The accused insulation gripping device departs in at least two particulars from the provisions of claim 2 of the patent.

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[4]This is a perhaps debatable question which we need not go into, except to say that it would have been better to have tested the accused device directly against the patent.

Most obvious is the fact that its fingers project "inwardly," and not "outwardly." Secondly, we do not agree with Heyman's contention that the "spaced portions [are] adapted to be forced" . . . toward the plug contact portions." It is true that its expert testified, simply from drawings of the accused device, that they were so "adapted." Although examination of the accused device might suggest doubts as to the adaptability, particularly in the manner described in the patent, for present purposes we will assume that such movement was practical as well as possible. However, there was no testimony that it was done. This is a functional device. The question is not what it might have been made to do, but what it was intended to do and did do. If it did not function in an equivalent manner it was not an equivalent device. The opinion of a witness some years after the event that a device could have been made to do something else does not of itself establish infringement. The accused blade could be used only with a machine especially made for the purpose. On the undisputed evidence Hap's assembly machine did not project the spaced portions "toward the plug contact portions," but solely downward towards the wire. Hap calls this a 90° difference. Whether it was or not, it did not follow the teachings of the patent. *Cf. John Waldron Corp.* v. *Equitable Paper Bag Co.*, 3 Cir., 1939, 106 F. 2d 724.

In the aggregate these differences were important. Nothing is clearer on the record than the accuracy of the examiner's observation, in rejecting earlier broad claims, that "Insulation gripping tongues, barbs and the like are considered conventional, and especially so in solderless connectors. . . ." The examiner was consequently properly insistent upon specificity. "How are the fingers spaced?

How do they move toward the insulation? Just what is the 'gripping position'?" The applicant supplied specific directions. Heyman now asks us to reverse one of them from "outwards" to "inwards," and to ignore the other entirely. We cannot apply the doctrine of equivalents with so lavish a hand unless we say that any gripping device which has "fingers" is an equivalent. In the then state of the art, the examiner constantly refused to take such a view. So must we. *Cuno Engineering Corp.* v. *Mechl*, 2 Cir., 1940, 113 F. 2d 862; *Moon* v. *Cabot Shops, Inc.*, *supra*.

The second part of Hap's appeal relates to the court's conclusion that its Patent No. 2,198,906, issued April 30, 1940 is invalid. This is a machine patent for inserting blades into plugs. The court relied on two prior patents, one of which was not cited by the examiner. Hap admitted a very considerable relevancy of the latter, although, of course, disputing its sufficiency. We have reviewed the record as to invalidity, but do not think any useful purpose would be served by discussing it, particularly as this patent has now expired. Suffice it to say that this was a factual situation, and that we are not prepared to say the court was plainly wrong.

Heyman's cross-appeal also raises esentially only questions of fact. Hap's counterclaim, *inter alia*, sought damages for infringement of two of its patents, Nos. 2,191,384 and 385, issued February 20, 1940. These were patents for machines for inserting assembled blades into flexible rubber plugs. Heyman's defense was that Hap's assignor, Herman, was not the real inventor, but that the invention had actually been conceived by one Bronstein. Considerable testimony was presented by both sides on this issue. This included testimony by Bronstein that he himself had sought to obtain patents, but had dropped his proceedings upon pay-

ment of $2,700 by Herman after his attorney had become discouraged by Herman's exhibition of certain documentary evidence. Heyman offered testimony that this evidence had been forged, which was, of course, disputed. The court concluded that it "was far from impressed by [Bronstein's] testimony, and [was] not satisfied that he was the inventor of said structure." Heyman did not contest infringement. The court, accordingly, found in favor of Hap.

In the course of its opinion the court, quite properly, referred to the heavy burden that is upon a party contesting a patent by asserting that the applicant was not the inventor, following *The Barbed Wire Patent*, 1892, 143 U. S. 275. Heyman seeks to distinguish this case on several grounds, none of which needs mention except its contention that the rule ought not to apply when there has been fraud. Even if this might be so, it is first necessary to establish the fraud.

Even if, which we need not decide, Hap's witnesses were not always consistent, it is clear that Heyman's were not, and we could not possibly say that the court's findings against it are plainly erroneous.

Heyman also seeks, on this appeal, to have us find that the '384 and '385 patents were anticipated. Not having disputed the issue of validity below, it cannot do so now in order to obtain a reversal. It is not enough that the record may contain evidence on which appellant may piece together a case.[5]

[5]It is true that Heyman's answer alleged invalidity of these patents. However, portions of an answer may of course be waived. In its opinion the court said, "The sole issue with respect to these patents is—was the said Herman the inventor . . ." 196 F. Supp. 447, 452. If this was not the sole issue Heyman should have complained forthwith. *Fleming* v. *Van Der Loo*, D. C. Cir., 1947, 160 F. 2d 906. It is now too late. *Maloney* v. *Brandt*, 7 Cir., 1941, 123 F. 2d 779.

Appendix B—Opinion of United States County of Appeals for the First Circuit

Judgment will be entered vacating paragraphs 1 and 2 of the judgment of the district court and dismissing the complaint with respect to Patent No. 2,470,758, and affirming the balance of the judgment appealed from. Printing costs in this court in proportion to the successful portions of the appeals.

APPENDIX C

Opinion of United States Court of Appeals for the First Circuit on Petition for Rehearing

January 9, 1963.

ALDRICH, *Circuit Judge*. Heyman's petition for rehearing raises one matter that possibly should have been articulated in connection with our vacation of paragraph 1 of the district court's decision. This paragraph was a conclusion that the '738 patent was valid. Our finding of non-infringement made that question presumably moot. "To hold a patent valid if it is not infringed is to decide a hypothetical case." *Altvater* v. *Freeman*, 1943, 319 U. S. 359, 363. *But cf. Hazeley Products Co.* v. *United States Trunk Co.*, 1 Cir., 1958, 259 F. 2d 69. However, for us simply to have dismissed this portion of the appeal as moot would have left the district court's determination of validity outstanding although the rationale of our opinion had undercut its basis. Consequently our minimum obligation was to set the finding aside. This action did not imply that either or both of the claims of the patent were invalid, but left the matter open. Whether we should then go further and pass on the issue of validity for future purposes was perhaps a question of discretion, but one which we resolved in the negative. *Cf. Hale* v. *General Motors Corp.*, 1 Cir., 1945, 147 F. 2d 383, 388. We adhere to that position.

The petition for rehearing is denied.

APPENDIX D

Federal Rules of Civil Procedure

Rule 52.
FINDINGS BY THE COURT

(a) *Effect.* In all actions tried upon the facts without a jury or with an advisory jury, the court shall find the facts specially and state separately its conclusions of law thereon and direct the entry of the appropriate judgment; and in granting or refusing interlocutory injunctions the court shall similarly set forth the findings of fact and conclusions of law which constitute the grounds of its action. Requests for findings are not necessary for purposes of review. Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses. The findings of a master, to the extent that the court adopts them, shall be considered as the findings of the court. If an opinion or memorandum of decision is filed, it will be sufficient if the findings of fact and conclusions of law appear therein. Findings of fact and conclusions of law are unnecessary on decisions of motions under Rules 12 or 56 or any other motion except as provided in Rule 41(b). As amended Dec. 27, 1946, eff. March 19, 1948.

APPENDIX E

The Patent Act of 1952, 35 U. S. C. 282

SECTION 282. *Presumption of validity; defenses*

A patent shall be presumed valid. The burden of establishing invalidity of a patent shall rest on a party asserting it.

The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:

(1) Noninfringement, absence of liability for infringement, or enforceability,

(2) Invalidity of the patent or any claim in suit on any ground specified in part II of this title as a condition for patentability,

(3) Invalidity of the patent or any claim in suit for failure to comply with any requirement of section 112 or 251 of this title,

(4) Any other fact or act made a defense by this title.

In actions involving the validity or infringement of a patent the party asserting invalidity or noninfringement shall give notice in the pleadings or otherwise in writing to the adverse party at least thirty days before the trial, of the country, number, date, and name of the patentee of any patent, the title, date, and page numbers of any publication to be relied upon as anticipation of the patent in suit or, except in actions in the United States Court of Claims, as showing the state of the art, and the name and address of any person who may be relied upon as the prior inventor or as having prior knowledge of or as having previously used or offered for sale the invention of the patent in suit. In the absence of such notice proof of the said matters may not be made at the trial except on such terms as the court requires.

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In the
Supreme Court of the United States

OCTOBER TERM, 1962

No. 902

HEYMAN MANUFACTURING COMPANY,
PETITIONER,

v.

HAP CORPORATION,
RESPONDENT.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

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In the

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OCTOBER TERM, 1962

No. 902

HEYMAN MANUFACTURING COMPANY,
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v.

HAP CORPORATION,
RESPONDENT.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

To the Honorable Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

I.
Introduction

This is a patent case wherein the district court held both claims of plaintiff's (petitioner's) two-claim patent valid and infringed. The three judges of the Court of Appeals for the First Circuit considered first the question of infringement and held "that the evidence viewed most

favorably to Heyman[1] would not warrant a finding of infringement."

The appellate tribunal thereupon reversed the district court's judgment on infringement and ordered stricken from the judgment the holding that plaintiff's patent was valid. Obviously, the Circuit Court did not want a holding of validity of the patent to be outstanding against the public as a result of a private controversy, when the private controversy ended with the holding of non-infringement on both claims of the patent.

Plaintiff thereupon petitioned for rehearing. Not merely was the petition denied; the Circuit Court went further and pointed out that the rationale of its original decision had "undercut" the basis of the district court's original finding of validity. Thus, continued the Circuit Court, its "minimum obligation was to set the finding aside" without implying that either or both of the claims of the patent were invalid, leaving that matter open for future purposes in a contest wherein there was a substantial interest in validity by an opposing litigant. The Court said that whether or not it should have considered validity after reaching a conclusion of non-infringement "was perhaps a question of discretion, but one which we resolved in the negative."

There are no conflicting decisions by different circuits involving the patent here-involved. Nor does the petition present any "special and important" reason to support its desire for grant of the writ.[2] In fact, the phrase "special and important" nowhere appears in the petition. What is involved on the petition is only the plea of error below because plaintiff's patent was not flatly held to be invalid as well as not infringed. Petitioner, we submit, completely misconceives the reviewing function of this Court and seeks

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[1] Plaintiff-petitioner

[2] Rules of the Supreme Court, 19.1

merely a third opportunity to present to this Court the arguments twice before rejected by the full bench of the Court of Appeals for the First Circuit. *Keller* v. *Adams-Campbell Co.* (1924), 264 U.S. 314, 319, put it thusly:

> "Such an ordinary patent case with the usual issues of invention, breadth of claims and non-infringement, this Court will not bring here by certiorari unless it be necessary to reconcile decisions of Circuit Courts of appeal on the same patent."

II.
Citations to Opinions Below

The opinion of November 20, 1962 of the Court of Appeals for the First Circuit is reported at 311 F.2d 839. The opinion in denial of the petition for rehearing on January 9, 1963 is reported at 311 F.2d 844.

III.
Statement by Respondent

The "Statement" by petitioner is misleadingly incomplete. Amplification thereof is required properly to present the background against which intervention of this Court is sought.

In its decision (Appendix A, page 1a),[3] the district court discussed validity and infringement of plaintiff's '738 patent in only a little over a page and a half (pp. 4a, 5a). The findings of fact and conclusions of law, if any, are contained in a total of twenty lines; nine lines on validity —these in the paragraph extending from the bottom of page 4a to line 5 of page 5a—, and eleven lines on infringe-

[3] References herein, unless otherwise noted, indicate pages in the appendices to the petition.

ment—these being contained in the second full paragraph on page 5a. The decision of the appellate court (page 27a) presents the sum and substance of these twenty lines as follows:

> "* * * the court simply states that 'said patent '738 is valid . . . (and that because Hap used in its advertising a copy of a drawing of the plaintiff's product) (t)he conclusion is inescapable that the defendant has deliberately infringed the plaintiff's patent '738 . . .' ".

What the district court thus found and held is merely that plaintiff's patent was valid and infringed.

Petitioner's "statement", at page 4, sets forth merely that "Hap further defended by seeking to establish that the claims in the '738 patent did not cover the blades manufactured by it, and hence were not infringed." On what evidence this defense was presented is nowhere mentioned in the petition, nor is there mentioned the Circuit Court's treatment of the facts and evidence in support of the defense of non-infringement. The fact is that defendant had presented to the district court the Patent Office history of the '738 patent and prior art patents, in addition thereto, and that both in the district court and in the Circuit Court the issue of non-infringement due to limitations imposed by this prior art was the **main** point urged by defendant. Further, it is nowhere indicated by petitioner that the district court failed utterly to reflect an awareness of the effect of the Patent Office history on the scope of the patent claims as bearing on the matter of infringement. Thus it was that the Court of Appeals said, on the question of infringement,

> "* * * the district court gives us no assistance . . . The court did not analyze the claims, or the differences between them." (page 27a)

The Circuit Court, then, studied the Patent Office history and commented repeatedly throughout its decision on the prior art before the Patent Office and the patent examiner's treatment of the claims in view thereof, all in order to be in position to determine what the claims in suit involved. Eliminating from the Circuit Court's decision introductory comment and holdings involving defendant's counterclaim patents (not here involved), it will be seen that the Circuit Court went far beyond the district court's eleven lines to considering the question of infringement. In fact, the Circuit Court occupied well over five pages (pp. 23a-29a) in considering this question, with references to the prior art on every page, thus putting it beyond question that the Circuit Court paid heed to the prior art. Every one of these five pages reflects awareness of the effect of the prior art.[4] To the extent, therefore, that plaintiff's petition makes no mention of this consideration of the art by the Circuit Court, the petition's "Statement" is incomplete and misleading in its ostrich-like effort to keep from this Court what actually took place below. It is fatuity in the extreme, therefore, for plaintiff to assert as basis for the grant of a writ that the Court of Appeals did not consider the prior art. The appeals court did consider the art, and petitioner's Points I, IV, V, VI are seen to be based on the deliberate unwillingness of the plaintiff to acknowledge the conduct of the Court of Appeals in considering the prior art. If there is anything beyond dispute, it is the fact that the

[4] Page 23a, "During the prosecution the examiner pointed out, and the evidence at the trial abundantly shows . . . ."; page 23a, "As the examiner said, ..."; page 24a, "in the light of the claim history"; page 25a, "The file history shows"; page 25a, "he (the examiner) considered it"; page 25a, both footnotes; page 26a, "Throughout the processing the importance of detail was emphasized by the examiner"; page 27a, "This is considered the exact point of novelty"; page 28a, "the accuracy of the examiner's observations"; page 28a, "The examiner was consequently properly insistent upon specificity"; page 29a, "the then state of the art".

Court of Appeals based its action on a full consideration of the Patent Office history and, necessarily, the prior art before the patent examiner and that made of record in the district court. The failure of petitioner to refer to this consideration constitutes a most serious omission in the effort to have this Court go into the case a third time.

Reasons for Denial of the Writ—Argument

POINT I. THE COURT OF APPEALS FOR THE FIRST CIRCUIT DID CONSIDER THE PRIOR ART.

That the Court of Appeals considered the prior state of the art relating to contact blades in formulating its opinion has been fully established in respondent's "Statement" hereinabove. This clearly appears throughout the court's original decision and is confirmed by the statement in the decision denying rehearing (page 32a), that the very rationale of the court's original decision had undercut the district court's holding of validity of plaintiff's patent. Thus to state, as does plaintiff at page 5 of the petition, that

> "* * * in the present case . . . the appellate court reviewed the question of infringement without first considering the prior art"

is to fly in the face of what so plainly appears in both opinions of the Circuit Court (see footnote 4, *supra*). To the extent that petitioner's Points I, IV, V and VI are factually based on this bald mis-statement of the event, the points lack factual support and legal justification.

POINT II. PATENT CASES MAY BE DISPOSED OF ON ALTERNATE GROUNDS: EITHER FOR LACK OF INFRINGEMENT OR FOR INVALIDITY; THERE IS NOT AND THERE NEVER HAS BEEN A MANDATE TO CONSIDER VALIDITY IN EVERY CASE.

In *Keller* (1924), *supra* p. 3, the suit was for infringement of a reissued patent. "All the usual defenses were set up, including lack of invention, the invalidity of the reissue and non-infringement." (264 U.S. 316). The complaint was dismissed and the dismissal affirmed. Certiorari was granted in the belief that the precise scope and extent of the alleged intervening rights should be determined with finality. It developed, however, that "what the courts really held was that the defendant was manufacturing a different invention from that of the plaintiffs, and so could not and did not infringe." (264 U.S. 319). Thereupon the writ was dismissed on the statement quoted at p. 3, *supra*. The matter of validity of the patent was never once mentioned, nor was the propriety of the reissue ever referred to; the case went off on the sole ground of non-infringement.

In *Electrical Fittings Corp.* v. *Thomas & Betts Co.* (1939), 307 U.S. 241, there was involved—as here—a two-claim patent. The district court decreed claim 1 valid but not infringed and claim 2 invalid. It was the *defendants* who appealed from the holding of validity. The Circuit Court dismissed the appeal on the ground that the defendant-petitioners "had been awarded all the relief to which they were entitled, the litigation having finally terminated in their favor." Defendants brought *Electrical Fittings* before the Supreme Court, which thereupon held,

> "Instead of dismissing the bill *without more*,[5] it (the district court) entered a decree adjudging claim 1 valid but dismissing the bill for failure to prove infringement.
>
> • • • •
>
> "We think the petitioners were entitled to have this portion of the decree eliminated." (307 U.S. 242)

Apart from the fact that defendants therein brought *Electrical Fittings* before this court, the facts therein and at bar are the same. Under *Electrical Fittings*, if the court below had permitted the decree of validity of plaintiff's '738 patent to stand, while dismissing the complaint for non-infringement, the defendant-respondent here would have been entitled to petition this Court for reformation of the decree and, paraphrasing, to have the validity-holding portion of the decree eliminated. It is to have been expected that petitioner would make no reference to *Electrical Fittings*. Any reference would constitute an acknowledgment that the present set of facts are controlled by the decision therein.

In *Altvater* v. *Freeman* (1943), 319 U.S. 359, two reissue patents had been secured on the surrender of the original patent. Suit was brought charging, among other things, infringement of **one** reissue. The charge was denied and the suit defended further on the ground that the reissue was invalid. In addition, defendant counterclaimed for a declaratory judgment that the **second** reissue also was invalid. The district court dismissed the complaint and sustained the counterclaim (319 U.S. 362). While the Circuit Court affirmed, it modified the decree by eliminating therefrom the holdings that both patents were invalid, doing so on the ground that the issues were moot. The Supreme

[5] Emphasis applied throughout.

Court, citing *Electrical Fittings*, and stating (319 U.S. 363) that

> "* * * To hold a patent valid if it is not infringed is to decide a hypothetical case.",

sent *Altvater* back for disposition of the questions of validity raised by the counterclaim, these obviously going far beyond the issues framed by the complaint and answer in the involvement of the *second* reissue patent. Clearly, if only the *one* reissue and all claims thereof had been involved, there would have been no need to send the case back since the findings of non-infringement would have disposed of all issues therein under *Electrical Fittings*. (The finding of validity would have been immaterial to the disposition of the cause). In *Altvater* however, two patents were involved with

> "* * * many claims in addition to the single one involved in the issue of infringement. And petitioners were manufacturing and selling additional articles claimed to fall under the patents. Royalties were being demanded and royalties were being paid. But they were being paid under protest and under the compulsion of an injunction decree. It was to lift the heavy hand of that tribute from the business that the counterclaim was filed.",

and so this Court concluded in *Altvater* by ruling that

> "* * * it was error for the Circuit Court of Appeals to have treated the issues raised by the counterclaim as moot. They were not moot; and the District Court had passed on them. Accordingly, the Circuit Court of Appeals should have reviewed that adjudication." (319 U.S. 365, 366).

Straining to find conflict in decisions, petitioner advances the theory that the prior art must first be studied to determine if the patent is valid and that only then can the matter of infringement be determined. Petitioner cites no single decision in support of this theory. *Eibel* (referred to at page 5) merely states that even a slight advance may be meritorious and entitled to protection(261 U.S. 63) and with this we have no quarrel. *Eibel*, however, has nothing to do with the proposition that infringement cannot be determined until after validity has been established. Actually, this is reflected by the statement at the foot of page 5 of the petition, to the effect that *Aitraler* "appears to be in conflict with" *Eibel*, and, of course, what follows this expression of doubt has already been established as contrary to the fact since the Circuit Court did examine the prior art. Plaintiff's POINT I is thus without factual or legal merit.

We are in full accord with the title heading of petitioner's POINT II. However, the appellate tribunal below disposed of the proposition; first, by pointing out that the district court had made no findings on infringement (page 27a) and, second, in holding that there was—in fact—no infringement and inevitably that what the district court concluded was clearly erroneous. It could not have reversed the district court without such conclusion, 52 (a) F.R.C.P. (page 33a, lines 8-11). Note also the reference to "the undisputed evidence" at page 28a. It is clear that the "due weight" was given to what it was that the district court found and decided. POINT II of the petition, therefore, similarly fails to justify grant of the writ sought.

As has been shown above and as will be demonstrated below, petitioner's POINT III has no relation to what is here involved. Even if we assume that plaintiff's patent is valid, a finding of validity may not be continued in the judgment if the patent is not infringed. That was settled

by *Electrical Fittings Corp.* v. *Thomas & Betts Co.*, *supra*, p. 7. Point III of the petition is thus quite beside the point.

Sinclair & Carroll Co. v. *Interchemical Corp.*, 325 U.S. 327, was decided in 1945. It contained the following statement at 325 U.S. 330:

> "There has been a tendency among the lower federal courts in infringement suits to dispose of them where possible on the ground of non-infringement without going into the question of validity of the patent. Irvin v. Buick Motor Co., 88 F.2d 947, 951; Aero Spark Plug Co. v. B. G. Corp., 130 F.2d 290; Franklin v. Masonite Corp., 132 F.2d 800. It has come to be recognized, however, that of the two questions, validity has the greater public importance, Coyer v. Schwartz, 133 F.2d 544, and the District Court in this case followed what will **usually** be the better practice by inquiring fully into the validity of this patent."

The significant word is the emphasized "usually" and it is important to note how the quotation above has since been construed by subsequent action of this Court and by the various circuit courts.

The First Circuit decided *Grant Paper Box Co.* v. *Russell Box Co.*, 151 F.2d 886, shortly after *Sinclair* came down. It repeated the above quotation therefrom and—in the light of *Altvater*—interpreted it as permitting the lower courts to exercise discretion in disposing of patent litigation, stating (151 F.2d 890).

> "* * * In this logical dilemma the courts have wisely taken a practical course. They have decided cases of this sort, whenever they must be decided against the plaintiff, on whichever issue must be resolved against

> him, subject, however, to the qualification that *sometimes*, even when a patent is not infringed, it is proper to go further and in the public interest to declare a patent *invalid* if in discretion the circumstances presented make such a course seem appropriate."

The emphasized words indicate that decision need not be made in all cases and they make clear that validity will not be found of an uninfringed patent. That *Grant* went off on validity reflects only that the discretion of the court in disposing of the case was exercised in that direction.

Hawley Products Company v. *United States Trunk Co.*, (1 Cir., 1958), 259 F.2d 69, at 75, reflects a full awareness of the point. It cited *Altvater* as authority for the proposition that "a court retains jurisdiction to hold a patent **invalid** even after it had been found not infringed." The use of the word "invalid" is most significant because the court did not construe *Altvater* as permitting a patent to be held valid after it had been found not infringed and it followed *Altvater* in considering validity only because the controversy between the parties had not been laid to rest by the holding of non-infringement. This is indisputable from what is said at 259 F.2d 76 (right column, first full paragraph).

There is no such incompatibility as petitioner pretends (Point V, page 13). Once non-infringement has been found, validity is moot (under *Electrical Fittings* and *Altvater*). **Invalidity**, however, may be established in the court's discretion (*Altvater* and *Sinclair & Carroll*).

Crampton Mfg. Co. v. *Crampton* (6 Cir. 1946), 153 F.2d 543, held certain claims of the patent there involved as valid but not infringed. Judge Simons dissented (153 F.2d 547) on *Altvater* and *Electrical Fittings*, and referred to *Grant* and *Sinclair & Carroll* as supporting doubt on the proposition that validity, in such context, need be decided.

The Supreme Court denied certiorari, 328 U.S. 840, 90 L. Ed. 1615, 66 S. Ct. 1017. However, the majority decision in *Crampton* has not since been cited or followed for the point here involved.

The Sixth Circuit thereafter (1952) decided *Dow Chemical Co.* v. *Skinner*, 197 F.2d 807. It referred to *Electrical Fittings Altvater* v. *Freeman* and quoted from *Sinclair & Carroll*, as above, and then said (197 F.2d 812):

> "Electrical Fittings Corp. v. Thomas & Betts Co., supra, and Altvater v. Freeman, supra, are not cited. In view of the wording of the paragraph quoted we think that a discretion resides in the lower courts to determine whether or not decision upon validity is required. The Supreme Court employed the significant word 'usually', thus indicating that a ruling upon validity is not essential in all cases involving both infringement and validity."

Certiorari was denied, 344 U.S. 856, 97 L. Ed. 664, 73 S. Ct. 94. It is clear, therefore, that in the Sixth Circuit only the minority opinion of Circuit Judge Simons, in *Crampton*, is being accepted as the law to be followed.

That the Sixth Circuit, in 1961, considered validity over a finding of non-infringement of one patent, *Sparton Corp.* v. *Evans Products Co.*, 293 F.2d 699, was occasioned by the fact that validity and infringement had been found of two other patents involved in that litigation. The Court, however, clearly set forth its appreciation of the fact that it was exercising its discretion—in these circumstances—on the authority of *Sinclair & Carroll*, *Electrical Fittings* and *Altvater*, 293 F.2d 705. Certiorari was denied, 368 U.S. 967, 7 L. Ed. 2d 395, 82 S. Ct. 439.

The decision in *Harries* v. *Air King Products Co.* (2 Cir., 1950), 183 F.2d 158, was written by Learned Hand (then

Chief Judge of the Second Circuit). He construed *Electrical Fittings, supra*, p. 7, as

> "* * * clearly a holding that it is not in all cases necessary to decide the issue of validity." (183 F.2d 161)

Judge Hand noted that this Court had cited *Cover v. Schwartz* (2 Cir., 1943), 133 F.2d 541, as support for the statement in *Altvater* that "to hold a patent valid if it is not infringed is to decide a hypothetical case". Adverting then to *Sinclair & Carroll*, Judge Hand pointed out (183 F.2d 162) that the oft-quoted statement in *Sinclair:*

> "* * * was certainly not put in the form of a peremptory direction, but rather of a cautionary admonition, to be followed **when that is the more convenient course;** and it is thus that Woodbury, J., construed it in Grant Paper Box Co. v. Russell Box Co., (cited *supra*). We are disposed so to understand it in the case at bar."

and he continued to set forth "good reasons for allowing some latitude of choice" as between infringement and validity, the latter issue being "as fugitive, impalpable, wayward, and vague a phantom as exists in the whole paraphernalia of legal concepts." He concluded, therefore, (183 F.2d 163),

> "* * * we hold that it is open to a court to proceed as is most convenient, subject to the exception that, although a defendant has not infringed, claims may be so evidently **invalid** that the court should so declare."

Note the "invalid"; it being clear that after non-infringement was found, validity need not be considered and could not be decreed—if found—under *Electrical Fittings* and *Altvater*."

Sinclair & Carroll was carefully noted in the recent decision in *Parmalee Pharmaceutical Company* v. *Zink*[5] (8 Cir., 1961), 285 F.2d 465, yet it considered only infringement, found a lack of it, and would not send the case back for findings upon which to base a decision on validity (285 F.2d 468). Inherent in the action of the Eighth Circuit was the conclusion that it was more convenient to dispose of the controversy on the ground of non-infringement than on validity, even with some doubt on validity expressed.

The Fifth Circuit was also aware of *Sinclair & Carroll* when it decided *Industrial Instrument Corporation* v. *The Foxboro Company* in September of 1962, 307 F.2d 783, 786, and said,

> "* * * it was not error for the court to rule on non-infringement without first ruling on validity where such a narrow improvement patent is involved[6] and its validity vel non is of no great public importance."

Patent Scaffolding Co. Inc. v. *Up-Right, Inc.* (9 Cir., 1952), 194 F.2d 457, is most pertinent. The patent was held not infringed by the district court, who dismissed the complaint despite the fact that the jury had decided the patent to be both valid and infringed. The prevailing *defendant* appealed, seeking also a holding of invalidity of the patent. *Electrical Fittings* was differentiated on the ground that in *Up-Right* there was no finding of validity to set aside. *Altvater* was differentiated also, on the ground

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[6] The Patent Office and the Court below both emphasized the narrowness of whatever it was that the patent in suit covered (page 23a).

that its continued discussion of validity was occasioned by the presence of additional claims, claims other than those held not-infringed. *Sinclair & Carroll* was noted, the "better practice" therein was referred to, and the question of the mandatory nature thereof considered (194 F.2d 458, 459). The Court held, at page 461, that the appellant in *Up-Right* "has no standing to require us to inquire whether the trial court should have based its judgment in appellant's favor upon two grounds, rather than upon one.", and said:

> "We find nothing in Interchemical that suggests otherwise.",

this, of course, is in full agreement with the Second Circuit's decision in *Harries* and with the interpretation of *Sinclair & Carroll* v. *Interchemical* by the First, Fifth, Sixth and Eighth Circuits. Certiorari was denied, 343 U.S. 958, 96 L. Ed. 1357, 72 S. Ct. 1053.

In 1953, the same Ninth Circuit decided *Kemart Corp.* v. *Printing Arts Research Labyratories, Inc.*, 201 F.2d 624, in which the validity and infringement of a number of claims were involved. The district court held certain claims valid and infringed and others not infringed. On appeal, the Circuit Court first described the patented process and then said,

> "Since we are of the opinion that the Marx patent is not infringed by appellant's process, we shall proceed immediately to discuss that question." (201 F.2d 627).

It held all the claims not infringed and ordered stricken from the judgment below that portion which held the claims valid, stating, against the background support of *Electrical*

Fittings, Alltrater and *Sinclair & Carroll*[7] (201 F.2d 634), that

> "We believe it unnecessary to discuss the question of validity. In oral argument counsel for appellant stated that appellant had no interest in the question of validity of the patent if it should be held uninfringed. It has been said by the Supreme Court that it is the 'better practice' always[8] to pass upon the question of validity. This language has been generally understood as a mere cautionary admonition to the courts to exercise their discretion whether to pass upon the question of validity, and to strike down clearly **invalid** patents where it would be in the public interest to do so, even though a finding of non-infringement would dispose of the case. A court may not, however, find a patent uninfringed and at the same time hold it valid, since a holding of validity would be a decision of a hypothetical case. **Thus, if we should go fully into the question of validity of the Marx Patent here**, an issue which is as 'fugitive, impalpable, wayward, and vague a phantom as exists in the whole paraphernalia of legal concepts', **and should conclude that the patent is valid, we should not be able to so hold.** Suffice it to say that the patent in suit is not clearly invalid. A brief study of this patent against the background of the prior art leads to quite the contrary conclusion, but a decision on this question should await a case requiring it."

The petition cites no decision to the effect that validity must be decided in cases where non-infringement has first been found. Actually, the Patent Act of 1952, 35 U.S.C.

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[7] Also *Dow Chemical, supra*, of the Sixth Circuit and *Harris v. Air King, supra*, of the Second Circuit.

[8] The Supreme Court said "usually"; not "always".

282 supports the proposition that non-infringement alone is enough to defeat a patent infringement suit, without more, in listing first the defense of non-infringement, (page 34a).

Plaintiff's heading of POINT IV is only partly correct. A claim may be held to be not infringed merely on a reading thereof if the accused device, on its face, falls outside the substance and language of the claim. Ordinarily, however, the prior art must be looked to in order to determine what the claim means and then compared with the accused device. This, of course, is precisely what the Court of Appeals below did and thus POINT IV falls for lack of factual support.

We submit that plaintiff's POINT V requires no extended comment. The law settled by this Court and by decisions of the various Circuit Courts thereafter is to the effect that it is not mandatory to pass upon validity if the patent be held not infringed. The law actually prohibits a holding of validity if the patent be held not infringed. Plaintiff's quotation from *Hawley*, at page 14, overlooks the fact that in *Altvater* the decision also involved portions of the controversy which were not finally settled by the finding of non-infringement, and that that was the reason why in *Altvater* the case was sent back for determination of validity. So much clearly appears from the 4th syllabus at 319 U.S. 359. Contradiction is apparent only to petitioner, but to no one else. Certainly, no court has noted any contradiction.

Plaintiff's POINT VI is an expression of hope; not of fact. There are no conflicting decisions involving plaintiff's patent. There are no conflicting decisions to be reconciled involving any principle of patent law. The use of this private controversy to raise an issue of public importance is not justified, and the accusation of unfairness levelled at the Court of Appeals for the First Circuit as at the very end of POINT VI, page 16, simply because plaintiff has lost

its law suit, is even less proper, warranting "sharper comment" (see the second footnote to the Circuit Court's decision, at page 25 of the appendix to the petition).

V.
Conclusion

We have set forth and discussed only those facts required for an understanding of the problem presented by the petition. We do not believe this Court desires full argument of the issue of non-intringement, nor do we believe this Court would tolerate any full argument of the issue of validity. The applicable statutes and principles of law were applied by the Court of Appeals and the patent claims construed in the light of the prior art and the patent's prosecution. Since the petitioner lost, and the loss affirmed by the denial of rehearing, it seeks instead to create a something special to warrant review by this Court. The questions it poses find no support in the record, and the points it argues similarly find no support either in the record or in the applicable case or statute law. The petition, therefore, should be denied.

Respectfully submitted,

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